

HUMAN SERVICES DEPARTMENT[441]

Notice of Intended Action

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code section 249A.4, the Department of Human Services proposes to amend Chapter 79, “Other Policies Relating to Providers of Medical and Remedial Care,” Iowa Administrative Code.

These amendments lower Medicaid reimbursement for drugs administered by a physician when the drugs are billed as a physician service with Healthcare Common Procedure Coding System (HCPCS) Level II “J” codes. A reduction of 2 percent below the reimbursement rates in effect on June 30, 2012, is mandated by 2012 Iowa Acts, Senate File 2336, section 12. The total amount of program savings for the fiscal year is estimated to be \$218,000, of which approximately \$88,000 is state funds. These savings are assumed in the Department’s appropriation for the state fiscal year beginning July 1, 2012.

This change will make reimbursement for physician-administered drugs more consistent with the current payment methodology for drugs supplied by pharmacies. This method will be an interim process until drug payment rates are based on a benchmark other than the average wholesale price published by Medi-Span. Physicians will continue to be paid for the administration of the drugs.

These amendments were also Adopted and Filed Emergency and are published herein as **ARC 0196C**. The purpose of this Notice is to solicit comment on that submission, the subject matter of which is incorporated by reference.

Any interested person may make written comments on the proposed amendments on or before July 31, 2012. Comments should be directed to Harry Rossander, Bureau of Policy Coordination, Department of Human Services, Hoover State Office Building, 1305 East Walnut Street, Des Moines, Iowa 50319-0114. Comments may be sent by fax to (515)281-4980 or by E-mail to policyanalysis@dhs.state.ia.us.

These amendments do not provide for waivers in specified situations because the legislative mandate does not provide for waivers and because the savings assumed in the Department’s appropriation would not be realized if waivers were granted. Requests for the waiver of any rule may be submitted under the Department’s general rule on exceptions at 441—1.8(17A,217).

After analysis and review of this rule making, no impact on jobs has been found.

These amendments are intended to implement Iowa Code section 249A.4 and 2011 Iowa Acts, chapter 129, section 122, as amended by 2012 Iowa Acts, Senate File 2336, section 12.